

HOUSE JOINT RESOLUTION 547

By Cobb J

A RESOLUTION relative to the fuel cost adjustment imposed on consumers by the Tennessee Valley Authority.

WHEREAS, the fuel cost adjustment (FCA) is a variable energy rate imposed by the Tennessee Valley Authority (TVA) on all consumers using electricity under the firm rate schedule; and

WHEREAS, designed to recover TVA's costs in purchasing fossil fuels and electricity from other provides, the FCA can fluctuate wildly each quarter; and

WHEREAS, the FCA reflected nearly a twenty percent (20%) increase in residential electricity rates for the final quarter of 2008; and

WHEREAS, during these dire recessionary times when many families are living on a month-to-month basis, the FCA places an undue economic burden on Tennessee's citizens, many of whom are struggling just to make ends meet; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED SIXTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that this General Assembly hereby strongly urges the Tennessee Valley Authority (TVA) to suspend its imposition of fuel cost adjustment (FCA) increases on consumers until such time as the American economy emerges from recession.

BE IT FURTHER RESOLVED, that this General Assembly also strongly urges TVA to utilize multi-year smoothing of any future fuel cost adjustments to consistently level future FCA charges to normalize costs to rate payers.

BE IT FURTHER RESOLVED, that an enrolled copy of this resolution be transmitted to the President, each member of Tennessee's Congressional delegation, and the Chairman of the Tennessee Valley Authority.